



## RESOLUTION

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APPROVING AN AMENDMENT TO THE CITY AND COUNTY OF HONOLULU'S TWENTY-SECOND (22<sup>nd</sup>) YEAR ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIPS, EMERGENCY SOLUTIONS GRANTS AND HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM FUNDS, AND AUTHORIZING ITS SUBMITTAL TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD).

WHEREAS, Section 1-8.2 of the Revised Ordinances of Honolulu 1990, as amended (ROH), requires prior City Council review and approval of any intergovernmental agreement or any amendments thereto, which places an obligation upon the City and County of Honolulu (hereinafter referred to as the City) or any department or agency; and

WHEREAS, said Section 1-8.2 further requires prior City Council review and approval of any application or any amendment thereto, relating to the carrying out of an intergovernmental agreement; and

WHEREAS, ROH Section 1-8.3 further requires prior City Council review and approval of any Annual Action Plan prepared by a city agency relating to Community Planning and Development (CPD) formula entitlement monies; and

WHEREAS, on March 11, 2012, the City Council adopted Resolution 15-40, approving the City's Consolidated Plan for Program Years 2016 – 2020 (Consolidated Plan), which established a City policy on the use of CDBG funds to be reprogrammed in the event that the alternate list is exhausted and/or it is determined that the projects on the alternate list are not feasible for funding in a timely manner or other issues are encountered, which will jeopardize current and/or future HUD entitlement programs funding; and

WHEREAS, said amended Action Plan Process allows the City the option to re-direct funds to the following activities:

- Increased funding for projects selected under the current-year Action Plan or previously selected under a prior year Action Plan, where the funds can be spent within twelve (12) months after contract amendment;
- Capital Improvement Projects undertaken by the City that: (1) fulfill the CDBG National Objective of principally benefiting low and moderate income persons; (2) are identified in the City budget; and (3) require additional funding;



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- Property acquisition projects either by the City or by nonprofit subrecipients that fulfill either the CDBG National Objective of principally benefiting low and moderate income persons or HOME program eligibility requirements;
- Capital Improvement or Acquisition Projects on prior year Alternate Lists that have the requisite approvals and permits in place and are ready for construction so that CDBG funds can be spent within twelve (12) months upon contract execution; or
- Other Projects which have previously completed a Competitive Selection process, within the last two years, conducted by the City and County of Honolulu that have the requisite approvals and permits in place and are ready for construction so that CDBG funds can be spent within twelve (12) months upon contract execution; and

WHEREAS, on November 19, 2016, the City issued a Request For Proposals soliciting property acquisition projects that fulfill the CDBG National Objective of principally benefiting low and moderate income persons and are able to expend the funds by May 2, 2017; and

WHEREAS, after the submission deadline of December 19, 2016, staff from the Department of Budget and Fiscal Services and Department of Community Services, reviewed the proposals and disqualified the proposals for not meeting the submission requirements as stated in the Request for Proposals; and

WHEREAS, due to Honolulu's competitive real estate market, the various properties initially considered for acquisition did not favor the City, were not feasible, or did not meet the City/HUD criteria; and

WHEREAS, based on the results of the Request for Proposals, and to avoid jeopardizing current and/or future HUD entitlement programs funding, the City, in accordance with the alternative selection process, desires to reprogram \$500,000 of available CDBG funds to a project previously selected under a prior year Action Plan, where the funds can be spent within twelve (12) months after contract amendment and \$8,752,842 of available CDBG funds to property acquisition project(s) that will benefit low- and moderate income households, from among the properties identified in Exhibit A; and submit the required Project Table (Exhibit B), reflecting the properties acquired to HUD; and



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WHEREAS, the City additionally, in accordance with the alternative selection process, desires to receive and expend up to \$110,000 of available HOME funds in excess of the total amount appropriated to a project previously selected under a prior year Action Plan, where the funds can be spent within twelve (12) months after contract amendment identified in Exhibit A; and submit the required Project Table (Exhibit B) to HUD; and

WHEREAS, pursuant to ROH Section 1-8.3, the City Council may approve the Action Plan by resolution; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the amended Action Plan is hereby approved; and

BE IT FURTHER RESOLVED that the Mayor, or his designee, is authorized to:

1. Execute and submit the amended Action Plan to HUD;
2. Accept, disburse, and expend CDBG, HOME, ESG, and HOPWA program funds for the projects and activities identified in the amended Action Plan, as approved by HUD;
3. Execute such assurances, representations, or certifications as are required by HUD;
4. Furnish such additional information, data, and reports as may be required by HUD;
5. Execute grant agreements on behalf of the City with HUD; and
6. Execute any incidental or related amendments, agreements or documents in furtherance of the amended Action Plan or grant agreement, including but not limited to any subrecipient agreements with governmental and nongovernmental subrecipients; and

BE IT FURTHER RESOLVED that the Mayor is hereby directed to advise the City Council in writing of any changes to the Action Plan and the approval or denial of the amended and resubmitted Action Plan by HUD, and further, to forward to the City Council a copy of HUD's letter of approval or denial; and



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BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Department of Community Services and the Department of Budget and Fiscal Services.

INTRODUCED BY:

Ron Menor (br)

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DATE OF INTRODUCTION:

April 20, 2017  
Honolulu, Hawaii

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Councilmembers

## EXHIBIT A

Agency	Project Name	Recommended Amount	Funding Source
City and County of Honolulu	1841 Palolo Avenue #A Honolulu, Hawaii 96816	\$4,802,842	CDBG
City and County of Honolulu	1904 Vancouver Drive Honolulu, Hawaii 96822	\$3,950,000	CDBG
Nanakuli Hawaiian Homestead Community Association	Agnes K. Cope Hawaiian Cultural Center - Offsite Improvements	\$500,000	CDBG
City and County of Honolulu	Down Payment Loan Program	\$110,000	HOME
City and County of Honolulu	758 Kamoku Street Honolulu, Hawaii 96826	\$4,802,842	CDBG

**EXHIBIT B**

	<b>Project Name</b>	City and County of Honolulu – 1841 Palolo Avenue #A
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Housing - Development
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	CDBG - \$4,802,842 Other - \$1,045,000
	<b>Description</b>	<p>Provision of funds for the acquisition of property that will provide affordable housing to benefit low- and moderate income households and, if needed, relocation benefits.</p> <p>CDBG funds will be used for the acquisition of real property for a public purpose, eligible under 24 CFR §570.201(a), relocation payments required in connection with a CDBG activity, eligible under 24 CFR §570.201(i), and will meet the CDBG national objective described in 24 CFR §570.208(a)(3), a housing activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households.</p>
	<b>Target Date of Completion</b>	6/30/2017
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 18 low- and moderate-income households will benefit from the activities that will be supported under this project.
	<b>Location Description</b>	1841 Palolo Avenue #A, Honolulu, Hawaii 96816
	<b>Planned Activities</b>	Acquisition of 18 affordable rental units for low- and moderate-income households.

<b>Project Name</b>	City and County of Honolulu – 1904 Vancouver Dr.
<b>Target Area</b>	Citywide
<b>Goals Supported</b>	Housing - Development
<b>Needs Addressed</b>	Affordable Housing
<b>Funding</b>	CDBG - \$3,950,000
<b>Description</b>	<p>Provision of funds for the acquisition of property that will provide affordable housing to benefit low- and moderate income households.</p> <p>CDBG funds will be used for the acquisition of real property for a public purpose, eligible under 24 CFR §570.201(a), and will meet the CDBG national objective described in 24 CFR §570.208(a)(3), a housing activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households.</p>
<b>Target Date of Completion</b>	6/30/2017
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 25 low- and moderate-income households will benefit from the activities that will be supported under this project.
<b>Location Description</b>	1904 Vancouver Drive, Honolulu, Hawaii 96822
<b>Planned Activities</b>	Acquisition of 25 affordable rental units for low- and moderate-income households.

<b>Project Name</b>	Nanakuli Hawaiian Homestead Community Association - Agnes K. Cope Hawaiian Cultural Center
<b>Target Area</b>	Waianae Coast
<b>Goals Supported</b>	Public Facilities – Non-Homeless
<b>Needs Addressed</b>	Public Facilities
<b>Funding</b>	CDBG - \$500,000
<b>Description</b>	<p>Provision of grant funds for the construction of off-site improvements to Farrington Highway to provide access to the proposed Agnes K. Cope Hawaiian Cultural Center which will benefit the residents of Nanakuli</p> <p>CDBG funds will be used to construct a community center, eligible under 24 CFR §570.201(c), and will meet the CDBG national objective described in 24 CFR 570.208(a)(1), the benefits of which are available to all the residents in a particular area, where at least 51 percent of the residents are low- and moderate-income persons but predominantly services Census Tracts 96.01, 96.03, 96.04, 97.01, 97.02, 98.01, and 98.02.</p>
<b>Target Date of Completion</b>	6/30/2018
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 42,259 residents from the Waianae Coast will benefit from the activities that will be supported under this project.
<b>Location Description</b>	89-102 Farrington Highway, Waianae, Hawaii 96792
<b>Planned Activities</b>	Construction of off-site improvements to Farrington Highway to provide access to the proposed Agnes K. Cope Hawaiian Cultural Center, which will consist of flexible meeting spaces, classrooms for educational and vocational instruction programs, a certified community kitchen, and office spaces.



	<b>Project Name</b>	Department of Community Services - Down Payment Loan Program
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Housing – Down Payment Assistance
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	HOME - \$250,000 HOME Program Income - \$110,000
	<b>Description</b>	Provision of grant funds to assist low income, first- time homebuyers. This is a continuation project. HOME funds will be utilized to provide assistance to home buyers, eligible under 24 CFR § 92.206(c).
	<b>Target Date of Completion</b>	June 30, 2017
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 13 low income first- time homebuyers will benefit from the activities that will be supported under this project.
	<b>Location Description</b>	51 Merchant Street, Honolulu, Hawaii 96813
	<b>Planned Activities</b>	Approximately 13 low income first- time homebuyers will be provided zero interest down payment loans.

	<b>Project Name</b>	City and County of Honolulu – 758 Kamoku Street
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Housing - Development
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	CDBG - \$4,802,842 Other - \$992,158
	<b>Description</b>	<p>Provision of funds for the acquisition of property that will provide affordable housing to benefit low- and moderate income households and, if needed, relocation benefits.</p> <p>CDBG funds will be used for the acquisition of real property for a public purpose, eligible under 24 CFR §570.201(a), relocation payments required in connection with a CDBG activity, eligible under 24 CFR §570.201(i), and will meet the CDBG national objective described in 24 CFR §570.208(a)(3), a housing activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households.</p>
	<b>Target Date of Completion</b>	6/30/2017
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 12 low- and moderate-income households will benefit from the activities that will be supported under this project.
	<b>Location Description</b>	758 Kamoku Street, Honolulu, Hawaii 96826
	<b>Planned Activities</b>	Acquisition of 12 affordable rental units for low- and moderate-income households.

CITY COUNCIL  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII  
C E R T I F I C A T E

**RESOLUTION 17-115, FD1**

Introduced: 04/20/17 By: RON MENOR – BY REQUEST Committee: COUNCIL

Title: RESOLUTION APPROVING AN AMENDMENT TO THE CITY AND COUNTY OF HONOLULU'S TWENTY-SECOND (22<sup>nd</sup>) YEAR ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIPS, EMERGENCY SOLUTIONS GRANTS AND HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM FUNDS, AND AUTHORIZING ITS SUBMITTAL TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD).

Voting Legend: \* = Aye w/Reservations

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CC-129 MANAHAN – RESOLUTION RE-REFERRED FROM COMMITTEE ON BUDGET  
DIRECT TO COUNCIL FLOOR.

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04/26/17 COUNCIL

RESOLUTION AMENDED TO HAND-CARRIED FD1.

9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN,  
MENOR, OZAWA, PINE.

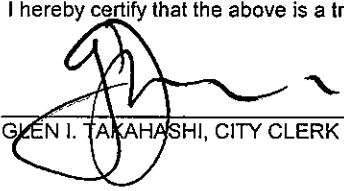
RESOLUTION 17-115, FD1 WAS ADOPTED.

8 AYES: ANDERSON, ELEFANTE, FUKUNAGA\*, KOBAYASHI, MANAHAN, MENOR,  
OZAWA, PINE.

1 NO: MARTIN.

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I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

  
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GLEN I. TAKAHASHI, CITY CLERK

  
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RON MENOR, CHAIR AND PRESIDING OFFICER